



Water Infrastructure Finance Authority of Arizona

## NEWS RELEASE

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### **Proposed Cut to Federal Clean Water Funds Would *Slash Arizona's Dollars by Over 19%***

PHOENIX – Water Infrastructure Finance Authority of Arizona (WIFA) Chairman Steve Owens today expressed great concern regarding President Bush's recent proposal to eliminate \$166 million from the Clean Water State Revolving Fund (CWSRF) program. The CWSRF provides monies to states for wastewater infrastructure projects. The cuts to the CWSRF are outlined in an Oct. 28 letter the President sent to Congress.

The cuts would reduce Arizona's appropriation from \$6.1 million down to \$5 million, a cut of more than 19%.

"I am dismayed that the President's wants to cut the CWSRF even further," said Chairman Owens, who is also the Director of the Arizona Department of Environmental Quality. "If these cuts go through, Arizona will suffer a reduction of \$1.2 million in our CWSRF dollars which will further harm Arizona's communities who are already shortchanged by the clean water fund because of the shortcomings of the allocation formula. The impact could be particularly harsh in rural Arizona where funds are needed to keep up with rapid population growth and economic development."

Chairs from both the House and Senate Appropriations Committees have agreed to consider the targeted recession approach to next year's budget to pay for hurricane relief but no dates have been identified for hearings or floor debates.

"Slashing funding for much needed infrastructure is exactly the wrong thing to do," Owens said.

"As the second-fastest growing state in the country, Arizona needs these funds to provide low-interest loans for vital water infrastructure," said Jay Spector, WIFA's Executive Director.

WIFA conservatively estimates that Arizona's federal capitalization grant should be around \$45 million per year based on the state's infrastructure needs and rapid population growth. The EPA's Clean Water Needs Survey, which is conducted every four years in all 50 states and territories, estimated that Arizona has over \$6.3 billion in clean water infrastructure needs over the next 20 years.

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#### ABOUT THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

The Water Infrastructure Finance Authority of Arizona maintains and improves water quality in Arizona by providing communities and private water systems with access to low-interest financial assistance and technical assistance needed for basic water infrastructure. WIFA's funds are capitalized by contributions from the US Congress and the state of Arizona. As a leader in water infrastructure finance, WIFA has become a premier financial institution both in Arizona and nationally. Visit WIFA's Web site at [www.azwifa.gov](http://www.azwifa.gov).